

FISCAL NOTE

SB 2514 - HB 2506

February 13, 2002

SUMMARY OF BILL: Amends TCA 67-4-1425, relative to the limitations on the levy of hotel occupancy privilege taxes. Adds a new section that would allow cities that have constructed qualifying projects under the Convention Center and Tourism Development Financing Act of 1998 to tax hotel occupancy even if the county is taxing hotel occupancy. Under current law, a city is prohibited from imposing the hotel occupancy tax if a county already has levied such a tax.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Revenues - Exceeds \$800,000/Permissive

Estimate assumes a 1% tax would be levied by the one local government (City of Chattanooga) that meets the provisions of the bill. Based on information provided by the Comptroller's Office, this is the only qualifying city that does not currently levy a hotel occupancy tax.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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